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Volume 20

Number 4

MILK MARKET INFORMATION BULLETIN
CHATTANOOGA, TENNESSEE, MARKETING AREA

NOVEMBER 1975

Released Pursuant to \$1000.3 and \$1090.86, USDA-AMS
Federal Order No. 90, 112 Lee Parkway Drive, Chattanooga, Tennessee 37411
J. E. Bobo, Market Administrator

MARKET SUMMARY - NOVEMBER 1975

The Chattanooga Order minimum uniform producer price is \$10.20 per cwt. at pool plants for milk testing 3.5% butterfat. The producer butterfat differential is 11.2 cents for each one-tenth of one percent above or below 3.5% test. This is a price increase of \$1.54 above November 1974 and an increase of 49 cents above October 1975.

In November 1975, 85.7% of producer milk received by pool plants was priced in Class I at \$10.42 per cwt., 6.7% was priced in Class II at \$8.94 per cwt. and 7.6% was priced in Class III at \$8.84 per cwt. for milk testing 3.5% butterfat. The November butterfat differential for all milk testing above or below 3.5% is 11.2 cents.

Total producer milk received at pool plants during November 1975 was 27,623,833 pounds which is an increase of 1,468,090 pounds or a daily average increase of 5.6% compared with November 1974. The November daily average deliveries from 501 producers was 1,838 pounds. This compares to 549 farms delivering a daily average of 1,588 pounds per day during November 1974.

PRODUCER MILK BASE NOTICE

Each producer for the Chattanooga marketing area began September 1, 1975, to establish a new milk base to be used in making payment to such producer during the month of March through July 1976. The 1976 daily average base will be computed by dividing each producer's total Grade A milk deliveries to a handler(s) during September 1, 1975 through January 31, 1976 by the number of days from the first day of delivery during such months to the last day of January, inclusive, but by not less than 120 days. Producers will be paid a uniform price for their total milk deliveries during August 1975 through February 1976. A producer base is assigned to the name (payroll account) as reported by the handler receiving the milk. Producers, particularly partnerships, are urged to see that their name(s) are correctly listed with the receiving plant and the Market Administrator.

COMPARISON OF MILK RECEIPTS AND UTILIZATION
(DAILY AVERAGE POUNDS)

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	% Nov. '75 Over Nov. '74	Nov. 1975	Oct. 1975	Nov. 1974
Number of Plants - Pool		4	4	4
- Non-Pool		11	12	14
<u>RECEIPTS</u>				
Pool Plants - Producer Milk	+ 5.6	920,794	906,151	871,858
- Other Source	+ 4.7	57,122	74,086	54,534
- Other Federal Order	-64.5	3,418	8,035	9,621
Non-Pool Plants - Cl. I Sales in Area	-17.0	54,468	58,100	65,633
TOTAL RECEIPTS	+ 3.4	1,035,802	1,046,372	1,001,646
<u>UTILIZATION</u>				
<u>Class I Uses</u>				
Homogenized Milk	- 7.4	387,869	410,161	418,850
Lowfat - 2% Milk	+ 7.7	261,169	271,514	242,570
Skim Milk	- 9.0	19,332	20,371	21,252
Buttermilk	- 6.0	58,155	59,451	61,843
Flavored Milk and Drink	+ .2	35,412	41,031	35,327
Sub-Total of Pkg. Items (Pool Plants)	- 2.3	761,937	802,528	779,842
Other, Shrinkage		1,546	1,554	4,469
Sales to Non-Pool Plants		27,502	5,582	12,378
In Area Sales by Non-Pool Plants	-17.0	54,468	58,100	65,633
TOTAL CLASS I USAGE	- 2.0	845,453	867,764	862,322
<u>Class II Uses - Pool Plants Only</u>				
Sweet Creams - Routes	+ 2.4	2,498	2,272	2,439
Sour Cream and Dip - Routes	+15.1	2,069	1,689	1,798
Yogurt - Routes	+10.6	355	483	321
Frozen Desserts and Ice Milk Mixes	+23.6	69,703	85,239	56,375
Other, Cottage Cheese, Inventory, etc.	+ 9.6	39,786	37,131	36,293
Sales to Non-Pool Plants	- 3.1	4,872	7,002	5,028
TOTAL CLASS II USAGE	+16.7	119,283	133,816	102,254
<u>Class III Uses - Pool Plants Only</u>				
Animal Feed and Dumped	-16.4	4,728	7,022	5,656
Class III Shrinkage	+17.3	17,032	17,011	14,526
Inventory Variation		22,447	7,881	(10,926)
Other, Overage, etc.		53	60	(245)
Bulk Sales to Non-Pool Plants	- 4.5	26,806	12,818	28,059
TOTAL CLASS III USAGE	+91.7	71,066	44,792	37,070
<u>IN AREA PACKAGE ROUTE DISPOSITION</u> <u>BY POOL PLANTS AND NON-POOL PLANTS</u>				
Homogenized Milk	-10.7	293,055	311,311	328,074
Lowfat - 2% Milk	+10.2	184,145	188,724	167,102
Skim and 1% Milk	-11.5	13,940	14,547	15,744
Buttermilk	- 7.6	44,446	45,553	48,084
Flavored Milk and Drink	+ .4	28,963	34,111	28,852
Total Class I Disposition In-Area	- 4.0	564,549	594,246	587,856
<u>CLASS I PKG. ROUTE DISPOSITION</u>				
In-Area by Pool Plants	- 2.3	510,081	536,146	522,223
In-Area by Non-Pool Plants	-17.0	54,468	58,100	65,633

COMPUTATION OF WEIGHTED AVERAGE PRICE

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NOVEMBER 1975	Class Percent	Butterfat Pounds	Product Pounds	Cwt. Price @ 3.5%	Total Value
Class I Producer Milk	85.693	609,661	23,671,845	\$10.42	\$2,466,606.25
Class II Producer Milk	6.661	220,050	1,839,982	8.94	164,494.39
Class III Producer Milk	7.646	240,351	2,112,006	8.84	186,701.33
TOTAL PRODUCER MILK	100.000	1,070,062	27,623,833		\$2,817,801.97
Less Handler Class I Location Adjustment					-0-
Add Value of Overages					-0-
Add Inventory Reclassification Charges					-0-
Add Value of Class I Other Source Milk and Producer Location Adjustment					-0-
Add $\frac{1}{2}$ Producer-Settlement Fund Balance					12,806.82
Total Utilization Value @ 3.5% Test			27,623,833	10.246981	2,830,608.79
Less Producer Settlement Fund Reserve			27,623,833	.046981	12,977.95
WEIGHTED AVERAGE PRICE @ 3.5% TEST			27,623,833	\$10.20	\$2,817,630.84

NOVEMBER 1975 MINIMUM PRODUCER PRICES CWT. f.o.b. CHATTANOOGA POOL PLANTS
BUTTERFAT DIFFERENTIAL 11.2¢ PER POINT (EXCLUDES PREMIUM)

TEST-%	PRICE	TEST-%	PRICE	TEST-%	PRICE	TEST-%	PRICE	TEST-%	PRICE
3.0	\$9.64	3.6	\$10.312	4.2	\$10.984	4.8	\$11.656	5.4	\$12.328
3.05	9.696	3.65	10.368	4.25	11.04	4.85	11.712	5.45	12.384
3.1	9.752	3.7	10.424	4.3	11.096	4.9	11.768	5.5	12.44
3.15	9.808	3.75	10.48	4.35	11.152	4.95	11.824	5.55	12.496
3.2	9.864	3.8	10.536	4.4	11.208	5.0	11.88	5.6	12.552
3.25	9.92	3.85	10.592	4.45	11.264	5.05	11.936	5.65	12.608
3.3	9.976	3.9	10.648	4.5	11.32	5.1	11.992	5.7	12.664
3.35	10.032	3.95	10.704	4.55	11.376	5.15	12.048	5.75	12.720
3.4	10.088	4.0	10.76	4.6	11.432	5.2	12.104	5.8	12.776
3.45	10.144	4.05	10.816	4.65	11.488	5.25	12.16	5.85	12.832
3.5	10.20	4.1	10.872	4.7	11.544	5.3	12.216	5.9	12.888
3.55	10.256	4.15	10.928	4.75	11.60	5.35	12.272	5.95	12.944

PLANTS DISTRIBUTING MILK IN CHATTANOOGA FEDERAL ORDER NO. 90 AREA - NOVEMBER 1975

POOL PLANTS - CHATTANOOGA

Dairymen, Inc., Chattanooga, TN
 Flav-O-Rich, Inc., Rossville, GA
 Mayfield Dairy Farms, Inc., Athens, TN
 Ray Moss Farms, Inc., Chattanooga, TN

Federal Order No. 101, Knoxville
 Broadacre Dairies, Inc., Powell, TN
 Flav-O-Rich, Inc., Knoxville, TN

Federal Order No. 7, Georgia
 Dempsey Brothers Dairies, Inc., Rome, GA
 Meadow Gold Dairies of Ga., Cedartown, GA
 Superbrand Dairy Prods., Montgomery, AL

PARTIALLY REGULATED

Federal Order No. 90, Chattanooga
 The Great A&P Tea Co., High Point, NC
 Coble Dairy Products Co-op, Inc., Anderson, SC
 Tro-Fe Dairy Company, Inc., Gadsden, AL

Federal Order No. 33, Ohio Valley
 Kroger Company, Springdale, OH

Federal Order No. 98, Nashville
 Avalon Dairies, Inc., McMinnville, TN

Federal Order No. 49, Indiana
 Kroger Company, Indianapolis, IN

CHATTANOOGA ORDER MINIMUM MILK PRICES (3.5 PERCENT TEST)

Date	PRODUCER UNIFORM PRICES 1/				Butterfat Diff.	HANDLER CLASS PRICES 1/		
	Per Hundredweight			Per Hundredweight				
	Uniform	Base	Excess	Class I		Class II	Class III	
Nov. '74	\$8.66	-	-	7.9¢	\$8.84	\$6.86	\$6.76	
Dec.	8.43	-	-	7.5	8.97	6.51	6.41	
Jan. '75	8.56	-	-	7.7	8.91	6.90	6.80	
Feb.	8.49	-	-	7.8	8.95	6.95	6.85	
Mar.	8.44 2/	\$8.75	\$6.86	7.8	9.00	6.96	6.86	
Apr.	8.48 2/	8.78	6.95	8.0	9.00	7.04	6.94	
May	8.60 2/	8.88	7.04	8.0	9.01	7.12	7.02	
June	8.61 2/	8.90	7.13	8.0	9.09	7.21	7.11	
July	8.76 2/	9.12	7.40	8.8	9.17	7.45	7.35	
Aug.	8.95	-	-	9.6	9.26	7.80	7.70	
Sept.	9.40	-	-	10.1	9.50	8.37	8.27	
Oct.	9.71	-	-	10.7	9.85	8.70	8.60	
Nov.	10.20	-	-	11.2	10.42	8.94	8.84	
Dec.	-	-	-	-	10.75	-	-	
Jan. '76	-	-	-	-	10.99	-	-	

Date	PRICE QUOTATIONS			PRODUCER MILK					
	Chi. 92° Butter	Chi. Area Powder	Minn/Wisc. Mfg. Milk	Daily Average Pounds			Percentage Use		
	¢ Lb.	¢ Lb.	Cwt. - 3.5%	Class I	Class II	Class III	I	II	III
Nov. '74	68.88	56.94	\$6.76	782,226	56,786	32,846	89.7	6.5	3.8
Dec.	65.32	56.74	6.41	725,078	60,395	136,814	78.6	6.6	14.8
Jan. '75	66.82	56.73	6.80	764,045	72,610	84,210	83.0	7.9	9.1
Feb.	68.07	59.24	6.85	768,419	80,627	139,425	77.7	8.2	14.1
Mar.	68.07	60.58	6.86	738,878	82,184	181,403	73.7	8.2	18.1
Apr.	69.19	60.66	6.94	759,785	108,797	146,159	74.9	10.7	14.4
May	69.19	60.36	7.02	780,974	92,334	110,920	79.3	9.4	11.3
June	69.19	60.44	7.11	721,087	118,266	113,532	75.7	12.4	11.9
July	76.62	60.45	7.35	758,335	126,105	96,461	77.3	12.9	9.8
Aug.	83.56	61.44	7.70	774,089	122,771	68,717	80.2	12.7	7.1
Sept.	87.87	64.08	8.27	845,822	63,103	22,796	90.8	6.8	2.4
Oct.	93.04	68.29	8.60	802,424	61,598	42,129	88.6	6.8	4.6
Nov.	97.28	71.36	8.84	789,061	61,333	70,400	85.7	6.7	7.6

SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLER GROSS MILK 3/			PRODUCER DATA					
	No.	Total	Class I	Pool	No.	Total	Base	Average	Av. Per
	Hdlers	Receipts	Use	Plants	Prod.	Delivery	Delivery	Test-%	Farm
Nov. '74	18	1,001,646	862,322	4	549	871,858	-	3.81	1,588
Dec.	18	1,030,894	790,484	4	616	922,287	-	3.94	1,497
Jan. '75	19	1,047,656	837,544	4	525	920,865	-	3.89	1,754
Feb.	19	1,108,305	836,919	4	601	988,471	-	3.85	1,645
Mar.	18	1,124,083	803,678	4	567	1,002,465	841,666	3.87	1,768
Apr.	18	1,122,545	825,321	4	562	1,014,741	854,515	3.78	1,806
May	18	1,101,844	846,701	4	557	984,228	840,125	3.74	1,767
June	18	1,057,279	772,728	4	570	952,885	802,710	3.71	1,672
July	18	1,097,026	811,262	4	625	980,901	782,023	3.64	1,569
Aug.	16	1,063,347	704,708	4	612	965,577	-	3.60	1,578
Sept.	16	1,077,503	908,919	4	540	931,721	-	3.66	1,725
Oct.	16	1,046,372	867,764	4	505	906,151	-	3.81	1,794
Nov.	15	1,035,802	845,453	4	501	920,794	-	3.87	1,838

1/ Excludes Premium

2/ Weighted Average Price

3/ Other Source is Gross Minus Producer